

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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FISCAL IMPACT STATEMENT

LS 6743

BILL NUMBER: SB 167

NOTE PREPARED: Apr 8, 2021

BILL AMENDED: Mar 11, 2021

SUBJECT: Theft and Sale of Catalytic Converters and Valuable Metals.

FIRST AUTHOR: Sen. Sandlin

FIRST SPONSOR: Rep. Young J

BILL STATUS: Enrolled

FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill has the following provisions:

- A. *Theft of a Component Part* – It provides that the theft of a component part of a motor vehicle, including a catalytic converter, is a Level 6 felony. It expands qualifying prior convictions for Level 6 felony theft to include robbery and burglary.
- B. *Class A Infraction* – It removes infractions for failing to comply with statutes regulating the sale or purchase of a valuable metal.
- C. *Purchase of a Valuable Metal by a Valuable Metal Dealer*– It provides that a valuable metal dealer who: (1) knowingly or intentionally fails to comply with certain statutes regulating the purchase of a valuable metal; and (2) purchases a stolen valuable metal; commits a Level 6 felony.

Effective Date: July 1, 2021.

Explanation of State Expenditures: *Theft of a Component Part* – State expenditures could increase by a minor amount if an offender is incarcerated in a state prison rather than in a local jail. On average, 11% of persons who are convicted of Level 6 auto theft were committed to DOC with an average 1.7 year sentence.

Purchase of a Valuable Metal by a Valuable Metal Dealer – Persons found guilty of committing a Level 6 felony under this new section would likely be similarly sentenced as those convicted of theft of component parts.

A Level 6 felony is punishable by a prison term ranging between 6 to 30 months, with an advisory sentence of 1 year. The period of incarceration will depend upon mitigating and aggravating circumstances.

Additional Information – "Valuable metal" means any product made of metal that readily may be resold. The term includes metal bossies and small component motor vehicle parts; and does not include beverage cans, used jewelry regulated under IC 24-4-13 or precious metal regulated under IC 24-4-19.

The average expenditure to house an adult offender was \$21,551, or \$59 daily, in FY 2020. (This does not include the cost of new construction.) If offenders can be housed in existing facilities with no additional staff, the incremental cost per offender for medical care, food, and clothing is approximately \$3,524 annually, or \$9.66 daily.

The estimated average cost of housing a juvenile in a state juvenile facility was \$89,998 or \$246 per day in FY 2020. The marginal cost for juvenile facilities was \$3,969 annually or \$10.87 daily.

The entire Level 6 sentence may be suspended and the person placed on either probation or community correction. If no time is suspended, the offender can receive good time credit of 50% and educational credit time. After adjusting for credit time, the offender can be released from prison and placed on parole.

Explanation of State Revenues: *Theft of a Component Part* – More revenue to the Common School Fund could be collected if a larger criminal fine is assessed by the sentencing court. The maximum fine for a Level A misdemeanor is \$5,000, while the maximum fine for a Level 6 felony is \$10,000. Court fees for both misdemeanors and felonies are \$120.

Class A Infraction; Purchase of Valuable Metal by a Valuable Metal Dealer– Removing the Class A infraction and adding the offense of a Level 6 felony could possibly reduce revenue deposited in the state General Fund and increase revenue in the Common School Fund. But any revenue shift because of this change in statute is highly unlikely since there have been no reported charges for this Class A infraction.

The maximum judgment for a Class A infraction is \$10,000, which is deposited in the state General Fund. The maximum fine for any felony is \$10,000 which is deposited in the Common School Fund.

Explanation of Local Expenditures: Enhancing both of these offenses to a Level 6 felony could increase the pretrial population in county jails. On average, 83% of all persons who were convicted and sentenced for auto theft as a Level 6 felony were confined in a county jail prior to trial for a certain period of time.

If an offender is sentenced to state prison rather than to a county jail, the costs to the county may be reduced. The maximum term of imprisonment for a Class A misdemeanor is one year.

The average cost per day to incarcerate a prisoner is \$54 based on the per diem payments reported by U.S. Marshals to house federal prisoners in 16 county jails across Indiana during federal FY 2017.

Explanation of Local Revenues: Court fees for both misdemeanors and felonies are \$120. Court fees for Class A infractions are \$70.

State Agencies Affected: Department of Correction.

Local Agencies Affected: Trial courts; local law enforcement agencies.

Information Sources: Department of Correction, U.S. Department of Justice Marshals Service.

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